GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:2143
ANSWERED ON:08.08.2005
COTTON PRICES
Saradgi Shri Iqbal Ahmed

Will the Minister of AGRICULTURE be pleased to state:

(a) whether a bumper harvest of Bt. cotton has pushed cotton prices to record lowest;

(b) if so, whether a drop in local cotton prices alongwith the lower international prices is certain to increased these fibre`s share in the country textile this year which is about 60%; and

(c) if so, the efforts being made to improve the Bt. cotton production in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) to (c): No, Sir. The harvesting of bumper Bacillus thuringiensis Cotton (Bt. Cotton) alone has not pushed the cotton prices to the lowest. During the current cotton season 2004-05, the prevailing kapas prices have been lower as compared to previous year. The reasons for the lower prices can be attributed to (i) increase in area under cotton both domestically and internationally, (ii) sluggish demand for yarn and made-ups and (iii) increasing impact of international cotton prices on domestic cotton prices, reflecting growing integration of domestic cotton economy with the global economy.

The lower cotton prices domestically and internationally are likely to result in higher cotton consumption in the total fibre consumption in the country in view of profitability to the mills due to lower raw material cost of cotton vis-Ã -vis man-made fibres. Although the exact details of share of cotton in the total fibre consumption for the current year are not available so far, the total cotton consumption in the country during 2004-05 is estimated to increase by 14% and the Cotton Advisory Board (CAB) has estimated the same at 198 lakh bales of 170 kg. each as against 173.96 lakh bales in 2003-04. With a view to increasing production and productivity of cotton, thrust is being given to supply of quality seeds including Bt. Cotton to cotton farmers in the country.